

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 6.1-6.1 of the Code of Virginia, relating to bankers' banks.*

3 [H 360]
4 Approved

5 **Be it enacted by the General Assembly of Virginia:**

6 **1. That § 6.1-6.1 of the Code of Virginia is amended and reenacted as follows:**

7 § 6.1-6.1. Bankers' bank; formation; applicability of banking code.

8 A. A bank may be incorporated as provided in § 6.1-6 for the purpose of becoming a bankers' bank.
9 A bankers' bank is a bank whose shares shall be owned exclusively by either (i) a financial institution
10 which has or is eligible for insurance of deposits by a federal agency or (ii) a financial institution
11 holding company as defined in § 6.1-381 or a savings institution holding company as defined in
12 § 6.1-194.87 owning any such aforementioned entity. No such financial institution or holding company
13 may own directly or indirectly more than five percent of the issued and outstanding voting shares of any
14 bankers' bank.

15 B. Except as specifically provided in this section or by regulation or order of the ~~State Corporation~~
16 Commission, a bankers' bank shall be vested with all of the powers and subject to all of the restrictions
17 imposed upon a bank.

18 C. Notwithstanding any other provision in this title to the contrary, a bankers' bank shall only accept
19 deposits from or make loans to (i) a financial institution which has or is eligible for insurance of
20 deposits by a federal agency, (ii) *a bank in organization that has applied for insurance of deposits by a*
21 *federal agency*, (iii) a financial institution holding company as defined in § 6.1-381 or a savings
22 institution holding company as defined in § 6.1-194.87 owning any such aforementioned entity, ~~or~~ (iii
23 iv) the officers, directors and employees of any such financial institution, *bank in organization* or
24 holding company, (v) *any person referred to a banker's bank by a financial institution or by a bank in*
25 *organization that has applied for insurance of deposits by a federal agency*, or (vi), *with the prior*
26 *approval of the Commissioner of Financial Institutions and subject to such conditions as the*
27 *Commissioner may impose, other persons.*

28 D. A bankers' bank may form a bank holding company upon compliance with the provisions of
29 Chapter 13 (§ 6.1-381 et seq.) of this title and any applicable federal law.

30 E. A bankers' bank may purchase investments or securities of governments or private corporations
31 which are traded on the open market such as are authorized to any other bank organized under the
32 provisions of this chapter.